



Patrick W. Henning, Director
March 17, 2009
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Arnold Schwarzenegger
Governor

Mr. Sam Couchman, Director
Imperial County Workforce Development Office
770 Main Street, Bldg. D
El Centro, CA 92243

Dear Mr. Couchman:

WORKFORCE INVESTMENT ACT
85-PERCENT PROGRAM REVIEW
FINAL MONITORING REPORT
PROGRAM YEAR 2008-09

This is to inform you of the results of our review for Program Year (PY) 2008-09 of the Imperial County Workforce Development (ICWDO) Workforce Investment Act (WIA) 85-Percent program operations. We focused this review on the following areas: Workforce Investment Board and Youth Council composition, local program monitoring of subrecipients, management information system/reporting, incident reporting, nondiscrimination and equal opportunity, grievance and complaint system, and Youth program operations including WIA activities, participant eligibility, and Youth services.

This review was conducted by Mr. David Hinojosa and Ms. Molly Maloney from October 6, 2008 through October 10, 2008.

Our review was conducted under the authority of Sections 667.400 (a) and (c) and 667.410 of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by ICWDO with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding program operations for PY 2008-09.

We collected the information for this report through interviews with ICWDO representatives, service provider staff, and WIA participants. In addition, this report includes the results of our review of sampled case files, ICWDO's response to Section I and II of the Program On-Site Monitoring Guide, and a review of applicable policies and procedures for PY 2008-09.

Because ICWDO did not respond to the draft monitoring report, we are releasing it as the final report. Therefore, findings 1 and 2 remain unresolved and are assigned Corrective Action Tracking System (CATS) numbers 90034 and 90035, respectively.

BACKGROUND

The ICWDO was awarded WIA funds to administer a comprehensive workforce investment system by way of streamlining services through the One-Stop delivery system. We are providing data from PY 2007-08 because ICWDO has spent only a small amount of their funds allocated for PY 2008-09. For PY 2007-08, ICWDO was allocated: \$1,639,281 to serve 165 adult participants; \$1,667,317 to serve 293 youth participants; and \$1,362,175 to serve 62 dislocated worker participants.

For the quarter ending June 30, 2008, ICWDO reported the following expenditures for its WIA programs: \$1,639,281 for adult participants; \$1,073,807 for youth participants; and \$463,846 for dislocated worker participants. In addition, ICWDO reported the following enrollments: 120 adult participants; 295 youth participants; and 40 dislocated worker participants. We reviewed case files for 30 of the 269 participants enrolled in the WIA program as of October 6, 2008.

PROGRAM REVIEW RESULTS

While we concluded that, overall, ICWDO is meeting applicable WIA requirements concerning grant program administration, we noted instances of noncompliance in the following areas: WIB composition and youth council. The findings that we identified in these areas, our recommendations, and ICWDO's proposed resolution of the findings are specified below.

FINDING 1**Requirement:**

WIA Section 117(b)(2)(A) states, in part, that membership of each Local Board shall include, at a minimum, representatives of economic development agencies and representatives of each of the one-stop partners.

20 CFR Section 661.315(a) states, in part, that the Local Board must contain two or more members representing economic development agencies and at least one member representing each One-Stop partner.

WIAD 06-21 states, in part, that the Unemployment Insurance 14202 describes the mandatory composition of Local Boards. It provides for "Representatives of labor organizations nominated by local labor federations, including a representative of an apprenticeship program. At least 15 percent of local board members shall be representatives of labor organizations unless the local labor federation fails to nominate enough members. If this occurs, then at least 10 percent of the local board members shall be representatives of labor organizations."

Observation: We observed that the Imperial County Workforce Development Board (ICWDB) lacks the following required Local Board members:

- One economic development agency representative
- Job Corps representative
- Department of Rehabilitation (DOR) representative
- One labor representative

Subsequent to the review, ICWDB provided documentation that an economic development agency representative, a DOR representative and a labor representative have been appointed to the local board. The additional labor representative provides a 10 percent representation of the Local Board.

Recommendation: We recommended that ICWDO provide the Compliance Review Division (CRD) with a corrective action plan (CAP), including a timeline, for appointing a Job Corps representative and for achieving the 15 percent labor representative requirement for the ICWDB. We also recommended that ICWDO provide CRD with an updated roster once these vacancies are filled.

**ICWDO
Response:**

The ICWDO did not respond to the draft monitoring report.

State Conclusion: Because ICWDO did not respond to our draft monitoring report, we cannot resolve this issue. We will consider resolving this issue when ICWDO submits to CRD the documentation requested above. Until then, this issue remains open and has been assigned CATS number 90034.

FINDING 2

Requirement: WIA Section 117(h)(2)(A)(iv) states, in part, that the Youth Council shall include a representative of a parent of an eligible youth.

Observation: We observed that the Youth Council has had a vacant seat for a parent of an eligible youth at least since July 2007. Although ICWDB has been taking action to fill this position, it still remains vacant.

Recommendation: We recommended that ICWDO provide CRD with a CAP showing the steps, including a timeline, that it will take to fill the parent of an eligible youth vacancy. We recommended that, once filled, ICWDO provide CRD with a copy of the Youth Council roster.

ICWDO

Response: The ICWDO did not respond to the draft monitoring report.

State Conclusion: Because ICWDO did not respond to our draft monitoring report, we cannot resolve this issue. We will consider resolving this issue when ICWDO submits to CRD the documentation requested above. Until then, this issue remains open and has been assigned CATS number 90035.

We provide you up to 20 working days after receipt of this report to submit your response to the Compliance Review Office. Because we faxed a copy of this report to your office on the date indicated above, we request your response no later than April 15, 2009. Please submit your response to the following address:

Compliance Monitoring Section
Compliance Review Office
722 Capitol Mall, MIC 22M
P.O. Box 826880
Sacramento, CA 94280-0001

In addition to mailing your response, you may also FAX it to the Compliance Monitoring Section at (916) 654-6096.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. It is ICWDO's responsibility to ensure that its systems, programs, and related activities comply with the WIA grant program, Federal and State regulations, and applicable State directives. Therefore, any deficiencies identified in subsequent reviews, such as an audit, would remain ICWDO's responsibility.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Ms. Mechelle Hayes at (916) 654-7005 or Mr. David Hinojosa at (916) 653-4322.

Sincerely,



JESSIE MAR, Chief
Compliance Monitoring Section
Compliance Review Office

cc: Stephen Amezcua, MIC 50
Jose Luis Marquez, MIC 50
Daniel Patterson, MIC 45
Georganne Pintar, MIC 50